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# HOUSE BILL No. 1535

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-22-2-37.1; IC 6-1.1-4.

**Synopsis:** Property tax assessments in Lake County. With respect to the general reassessment of real property in Lake County effective March 1, 2002: (1) allows the department of local government finance to contract for the reassessment contractor to hold informal hearings with taxpayers and represent the department in assessment appeal proceedings; (2) requires the Indiana board of tax review (IBTR) to designate independent, licensed appraisers as special masters to conduct evidentiary hearings of assessment appeals; (3) establishes an appeal filing fee of \$10; and (4) authorizes the IBTR to develop appeal forms and adopt emergency rules to set procedures and deadlines.

**Effective:** Upon passage.

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January 16, 2003, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

## HOUSE BILL No. 1535

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 4-22-2-37.1, AS AMENDED BY P.L.120-2002,  
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 UPON PASSAGE]: Sec. 37.1. (a) This section applies to a rulemaking  
4 action resulting in any of the following rules:

5 (1) An order adopted by the commissioner of the Indiana  
6 department of transportation under IC 9-20-1-3(d) or  
7 IC 9-21-4-7(a) and designated by the commissioner as an  
8 emergency rule.

9 (2) An action taken by the director of the department of natural  
10 resources under IC 14-22-2-6(d) or IC 14-22-6-13.

11 (3) An emergency temporary standard adopted by the  
12 occupational safety standards commission under  
13 IC 22-8-1.1-16.1.

14 (4) An emergency rule adopted by the solid waste management  
15 board under IC 13-22-2-3 and classifying a waste as hazardous.

16 (5) A rule, other than a rule described in subdivision (6), adopted  
17 by the department of financial institutions under IC 24-4.5-6-107

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and declared necessary to meet an emergency.

(6) A rule required under IC 24-4.5-1-106 that is adopted by the department of financial institutions and declared necessary to meet an emergency under IC 24-4.5-6-107.

(7) A rule adopted by the Indiana utility regulatory commission to address an emergency under IC 8-1-2-113.

(8) An emergency rule jointly adopted by the water pollution control board and the budget agency under IC 13-18-13-18.

(9) An emergency rule adopted by the state lottery commission under IC 4-30-3-9.

(10) A rule adopted under IC 16-19-3-5 that the executive board of the state department of health declares is necessary to meet an emergency.

(11) An emergency rule adopted by the Indiana transportation finance authority under IC 8-21-12.

(12) An emergency rule adopted by the insurance commissioner under IC 27-1-23-7.

(13) An emergency rule adopted by the Indiana horse racing commission under IC 4-31-3-9.

(14) An emergency rule adopted by the air pollution control board, the solid waste management board, or the water pollution control board under IC 13-15-4-10(4) or to comply with a deadline required by federal law, provided:

(A) the variance procedures are included in the rules; and

(B) permits or licenses granted during the period the emergency rule is in effect are reviewed after the emergency rule expires.

(15) An emergency rule adopted by the Indiana election commission under IC 3-6-4.1-14.

(16) An emergency rule adopted by the department of natural resources under IC 14-10-2-5.

(17) An emergency rule adopted by the Indiana gaming commission under IC 4-33-4-2, IC 4-33-4-3, or IC 4-33-4-14.

(18) An emergency rule adopted by the alcohol and tobacco commission under IC 7.1-3-17.5, IC 7.1-3-17.7, or IC 7.1-3-20-24.4.

(19) An emergency rule adopted by the department of financial institutions under IC 28-15-11.

(20) An emergency rule adopted by the office of the secretary of family and social services under IC 12-8-1-12.

(21) An emergency rule adopted by the office of the children's health insurance program under IC 12-17.6-2-11.

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(22) After December 31, 2003, an emergency rule adopted by the office of Medicaid policy and planning under IC 12-17.7-2-6 to implement the uninsured parents program.

(23) An emergency rule adopted by the office of Medicaid policy and planning under IC 12-15-41-15.

**(24) An emergency rule adopted by the Indiana board of tax review under IC 6-1.1-4-34.**

(b) The following do not apply to rules described in subsection (a):

(1) Sections 24 through 36 of this chapter.

(2) IC 13-14-9.

(c) After a rule described in subsection (a) has been adopted by the agency, the agency shall submit the rule to the publisher for the assignment of a document control number. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The publisher shall determine the number of copies of the rule and other documents to be submitted under this subsection.

(d) After the document control number has been assigned, the agency shall submit the rule to the secretary of state for filing. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The secretary of state shall determine the number of copies of the rule and other documents to be submitted under this subsection.

(e) Subject to section 39 of this chapter, the secretary of state shall:

(1) accept the rule for filing; and

(2) file stamp and indicate the date and time that the rule is accepted on every duplicate original copy submitted.

(f) A rule described in subsection (a) takes effect on the latest of the following dates:

(1) The effective date of the statute delegating authority to the agency to adopt the rule.

(2) The date and time that the rule is accepted for filing under subsection (e).

(3) The effective date stated by the adopting agency in the rule.

(4) The date of compliance with every requirement established by law as a prerequisite to the adoption or effectiveness of the rule.

(g) Subject to subsection (h), IC 14-10-2-5, IC 14-22-2-6, and IC 22-8-1.1-16.1, a rule adopted under this section expires not later than ninety (90) days after the rule is accepted for filing under subsection (e). Except for a rule adopted under subsection (a)(14), the rule may be extended by adopting another rule under this section, but only for one (1) extension period. A rule adopted under subsection

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(a)(14) may be extended for two (2) extension periods. Except for a rule adopted under subsection (a)(14), for a rule adopted under this section to be effective after one (1) extension period, the rule must be adopted under:

- (1) sections 24 through 36 of this chapter; or
- (2) IC 13-14-9;

as applicable.

(h) A rule described in subsection (a)(6), (a)(9), or (a)(13) expires on the earlier of the following dates:

- (1) The expiration date stated by the adopting agency in the rule.
- (2) The date that the rule is amended or repealed by a later rule adopted under sections 24 through 36 of this chapter or this section.

(i) This section may not be used to readopt a rule under IC 4-22-2.5.

SECTION 2. IC 6-1.1-4-32, AS AMENDED BY P.L.151-2002, SECTION 2, AND P.L.178-2002, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 32. (a) As used in this section, "contract" refers to a contract entered into under this section.

(b) As used in this section, "contractor" refers to a firm that enters into a contract with the department of local government finance under this section.

(c) As used in this section, "qualifying county" means a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(d) Notwithstanding sections 15 and 17 of this chapter, a township assessor in a qualifying county may not appraise property, or have property appraised, for the general reassessment of real property to be completed for the March 1, 2002, assessment date. Completion of that general reassessment in a qualifying county is instead governed by this section. The only duty of:

- (1) a township assessor in a qualifying county; or
- (2) a county assessor of a qualifying county;

with respect to that general reassessment is to provide to the department of local government finance or the department's contractor under subsection (e) any support and information requested by the department or the contractor. This subsection expires June 30, 2004.

(e) **Subject to section 33 of this chapter**, the department of local government finance shall select and contract with a certified public accounting firm with expertise in the appraisal of real property to appraise property for the general reassessment of real property in a qualifying county to be completed for the March 1, 2002, assessment

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date. The department of local government finance may enter into additional contracts to provide software or other auxiliary services to be used for the appraisal of property for the general reassessment. The contract applies for the appraisal of land and improvements with respect to all classes of real property in the qualifying county. The contract must include:

- (1) a provision requiring the appraisal firm to:
  - (A) prepare a detailed report of:
    - (i) expenditures made after July 1, 1999, and before the date of the report from the qualifying county's reassessment fund under section 28 of this chapter (repealed); and
    - (ii) the balance in the reassessment fund as of the date of the report; and
  - (B) file the report with:
    - (i) the legislative body of the qualifying county;
    - (ii) the prosecuting attorney of the qualifying county;
    - (iii) the department of local government finance; and
    - (iv) the attorney general;
- (2) a fixed date by which the appraisal firm must complete all responsibilities under the contract;
- (3) subject to subsection (t), a provision requiring the appraisal firm to use the land values determined for the qualifying county under section 13.6 of this chapter;
- (4) a penalty clause under which the amount to be paid for appraisal services is decreased for failure to complete specified services within the specified time;
- (5) a provision requiring the appraisal firm to make periodic reports to the department of local government finance;
- (6) a provision stipulating the manner in which, and the time intervals at which, the periodic reports referred to in subdivision (5) are to be made;
- (7) a precise stipulation of what service or services are to be provided;
- (8) a provision requiring the appraisal firm to deliver a report of the assessed value of each parcel in a township in the qualifying county to the department of local government finance; and
- (9) any other provisions required by the department of local government finance.

After December 31, 2001, the department of local government finance has all the powers and duties of the state board of tax commissioners provided under a contract entered into under this subsection (as effective before January 1, 2002) before January 1, 2002. The contract

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is valid to the same extent as if it were entered into by the department of local government finance. However, a reference in the contract to the state board of tax commissioners shall be treated as a reference to the department of local government finance. The contract shall be treated for all purposes, including the application of IC 33-3-5-2.5, as the contract of the department of local government finance. If the department of local government finance terminates a contract before completion of the work described in this subsection, the department shall contract for completion of the work as promptly as possible under IC 5-22-6. This subsection expires June 30, 2004.

(f) At least one (1) time each month, the contractors that will make physical visits to the site of real property for reassessment purposes shall publish a notice under IC 5-3-1 describing the areas that are scheduled to be visited within the next thirty (30) days and explaining the purposes of the visit. The notice shall be published in a way to promote understanding of the purposes of the visit in the affected areas. After receiving the report of assessed values from the appraisal firm acting under a contract described in subsection (e), the department of local government finance shall give notice to the taxpayer and the county assessor, by mail, of the amount of the reassessment. The notice of reassessment is subject to appeal by the taxpayer to the Indiana board. The procedures and time limitations that apply to an appeal to the Indiana board of a determination of the department of local government finance apply to an appeal under this subsection. A determination by the Indiana board of an appeal under this subsection is subject to appeal to the tax court under IC 6-1.1-15. This subsection expires on the later of June 30, 2004, or the date a final determination is entered in the last pending appeal filed under this subsection.

(g) In order to obtain a review by the Indiana board under subsection (f), the taxpayer must file a petition for review with the appropriate county assessor within forty-five (45) days after the notice of the department of local government finance is given to the taxpayer under subsection (f). This subsection expires June 30, 2004. **under section 34 of this chapter.**

~~(h)~~ (g) The department of local government finance shall mail the notice required by subsection (f) within ninety (90) days after the department receives the report for a parcel from the professional appraisal firm. This subsection expires June 30, 2004.

~~(i)~~ (h) The qualifying county shall pay the cost of any contract under this section which shall be without appropriation from the county property reassessment fund. A contractor may periodically submit bills for partial payment of work performed under a contract. However, the

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1 maximum amount that the qualifying county is obligated to pay for all  
 2 contracts entered into under subsection (e) for the general reassessment  
 3 of real property in the qualifying county to be completed for the March  
 4 1, 2002, assessment date is twenty-five million five hundred thousand  
 5 dollars (\$25,500,000). Notwithstanding any other law, a contractor is  
 6 entitled to payment under this subsection for work performed under a  
 7 contract if the contractor:

- 8 (1) submits, in the form required by IC 5-11-10-1, a fully  
 9 itemized, certified bill for the costs under the contract of the work  
 10 performed to the department of local government finance for  
 11 review;
- 12 (2) obtains from the department of local government finance:  
 13 (A) approval of the form and amount of the bill; and  
 14 (B) a certification that the billed goods and services billed for  
 15 payment have been received and comply with the contract; and
- 16 (3) files with the county auditor of the qualifying county:  
 17 (A) a duplicate copy of the bill submitted to the department of  
 18 local government finance;  
 19 (B) the proof of approval provided by the department of local  
 20 government finance of the form and amount of the bill that  
 21 was approved; and  
 22 (C) the certification provided by the department of local  
 23 government finance that indicates that the goods and services  
 24 billed for payment have been received and comply with the  
 25 contract.

26 An approval and a certification under subdivision (2) shall be treated  
 27 as conclusively resolving the merits of the claim. Upon receipt of the  
 28 documentation described in subdivision (3), the county auditor shall  
 29 immediately certify that the bill is true and correct without further  
 30 audit, publish the claim as required by IC 36-2-6-3, and submit the  
 31 claim to the county executive of the qualifying county. The county  
 32 executive shall allow the claim, in full, as approved by the department  
 33 of local government finance without further examination of the merits  
 34 of the claim in a regular or special session that is held not less than  
 35 three (3) days and not more than seven (7) days after completion of the  
 36 publication requirements under IC 36-2-6-3. Upon allowance of the  
 37 claim by the county executive, the county auditor shall immediately  
 38 issue a warrant or check for the full amount of the claim approved by  
 39 the department of local government finance. Compliance with this  
 40 subsection shall be treated as compliance with section 28.5 of this  
 41 chapter, IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and  
 42 payment of a claim in compliance with this subsection is not subject to

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1 remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply  
 2 to a claim under this subsection. IC 5-11-10-1.6(d) applies to a fiscal  
 3 officer who pays a claim in compliance with this subsection. This  
 4 subsection expires June 30, 2004.

5 ~~(j)~~ (i) Notwithstanding IC 4-13-2, a period of seven (7) days is  
 6 permitted for each of the following to review and act under IC 4-13-2  
 7 on a contract of the department of local government finance under this  
 8 section:

- 9 (1) The commissioner of the Indiana department of
- 10 administration.
- 11 (2) The director of the budget agency.
- 12 (3) The attorney general.
- 13 (4) The governor.

14 ~~(k)~~ (j) With respect to a general reassessment of real property to be  
 15 completed under section 4 of this chapter for an assessment date after  
 16 the March 1, 2002, assessment date, the department of local  
 17 government finance shall initiate a review with respect to the real  
 18 property in a qualifying county or a township in a qualifying county, or  
 19 a portion of the real property in a qualifying county or a township in a  
 20 qualifying county. The department of local government finance may  
 21 contract to have the review performed by an appraisal firm. The  
 22 department of local government finance or its contractor shall  
 23 determine for the real property under consideration and for the  
 24 qualifying county or township the variance between:

- 25 (1) the total assessed valuation of the real property within the
- 26 qualifying county or township; and
- 27 (2) the total assessed valuation that would result if the real
- 28 property within the qualifying county or township were valued in
- 29 the manner provided by law.

30 ~~(l)~~ (k) If:

- 31 (1) the variance determined under subsection ~~(k)~~ (j) exceeds ten
- 32 percent (10%); and
- 33 (2) the department of local government finance determines after
- 34 holding hearings on the matter that a special reassessment should
- 35 be conducted;

36 the department shall contract for a special reassessment by an appraisal  
 37 firm to correct the valuation of the property.

38 ~~(m)~~ (l) If the variance determined under subsection ~~(k)~~ (j) is ten  
 39 percent (10%) or less, the department of local government finance shall  
 40 determine whether to correct the valuation of the property under:

- 41 (1) sections 9 and 10 of this chapter; or
- 42 (2) IC 6-1.1-14-10 and IC 6-1.1-14-11.

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1       ~~(n)~~ **(m)** The department of local government finance shall give  
 2       notice by mail to a taxpayer of a hearing concerning the department's  
 3       intent to cause the taxpayer's property to be reassessed under this  
 4       section. The time fixed for the hearing must be at least ten (10) days  
 5       after the day the notice is mailed. The department of local government  
 6       finance may conduct a single hearing under this section with respect to  
 7       multiple properties. The notice must state:

- 8           (1) the time of the hearing;  
 9           (2) the location of the hearing; and  
 10          (3) that the purpose of the hearing is to hear taxpayers' comments  
 11          and objections with respect to the department of local government  
 12          finance's intent to reassess property under this chapter.

13       ~~(o)~~ **(n)** If the department of local government finance determines  
 14       after the hearing that property should be reassessed under this section,  
 15       the department shall:

- 16           (1) cause the property to be reassessed under this section;  
 17           (2) mail a certified notice of its final determination to the county  
 18           auditor of the qualifying county in which the property is located;  
 19           and  
 20           (3) notify the taxpayer by mail of its final determination.

21       ~~(p)~~ **(o)** A reassessment may be made under this section only if the  
 22       notice of the final determination under subsection ~~(n)~~ **(m)** is given to  
 23       the taxpayer within the same period prescribed in IC 6-1.1-9-3 or  
 24       IC 6-1.1-9-4.

25       ~~(q)~~ **(p)** If the department of local government finance contracts for  
 26       a special reassessment of property under this section, the qualifying  
 27       county shall pay the bill, without appropriation, from the county  
 28       property reassessment fund. A contractor may periodically submit bills  
 29       for partial payment of work performed under a contract.  
 30       Notwithstanding any other law, a contractor is entitled to payment  
 31       under this subsection for work performed under a contract if the  
 32       contractor:

- 33           (1) submits, in the form required by IC 5-11-10-1, a fully  
 34           itemized, certified bill for the costs under the contract of the work  
 35           performed to the department of local government finance for  
 36           review;  
 37           (2) obtains from the department of local government finance:  
 38               (A) approval of the form and amount of the bill; and  
 39               (B) a certification that the billed goods and services billed for  
 40               payment have been received and comply with the contract; and  
 41           (3) files with the county auditor of the qualifying county:  
 42               (A) a duplicate copy of the bill submitted to the department of

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1 local government finance;

2 (B) the proof of approval provided by the department of local  
3 government finance of the form and amount of the bill that  
4 was approved; and

5 (C) the certification provided by the department of local  
6 government finance that indicates that the goods and services  
7 billed for payment have been received and comply with the  
8 contract.

9 An approval and a certification under subdivision (2) shall be treated  
10 as conclusively resolving the merits of the claim. Upon receipt of the  
11 documentation described in subdivision (3), the county auditor shall  
12 immediately certify that the bill is true and correct without further  
13 audit, publish the claim as required by IC 36-2-6-3, and submit the  
14 claim to the county executive of the qualifying county. The county  
15 executive shall allow the claim, in full, as approved by the department  
16 of local government finance without further examination of the merits  
17 of the claim in a regular or special session that is held not less than  
18 three (3) days and not more than seven (7) days after completion of the  
19 publication requirements under IC 36-2-6-3. Upon allowance of the  
20 claim by the county executive, the county auditor shall immediately  
21 issue a warrant or check for the full amount of the claim approved by  
22 the department of local government finance. Compliance with this  
23 subsection shall be treated as compliance with section 28.5 of this  
24 chapter, IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and  
25 payment of a claim in compliance with this subsection is not subject to  
26 remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply  
27 to a claim under this subsection. IC 5-11-10-1.6(d) applies to a fiscal  
28 officer who pays a claim in compliance with this subsection.

29 ~~(t)~~ **(q)** A qualifying official (as defined in IC 33-3-5-2.5) shall  
30 provide information requested in writing by the department of local  
31 government finance or the department's contractor under this section  
32 not later than seven (7) days after receipt of the written request from  
33 the department or the contractor. If a qualifying official (as defined in  
34 IC 33-3-5-2.5) fails to provide the requested information within the  
35 time permitted in this subsection, the department of local government  
36 finance or the department's contractor may seek an order of the tax  
37 court under IC 33-3-5-2.5 for production of the information.

38 ~~(s)~~ **(r)** The provisions of this section are severable in the manner  
39 provided in IC 1-1-1-8(b).

40 ~~(t)~~ **(s)** A contract entered into under subsection (e) is subject to this  
41 subsection. A contractor shall use the land values determined for the  
42 qualifying county under section 13.6 of this chapter to the extent that

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the contractor finds that the land values reflect the true tax value of land, as determined under the statutes and the rules of the department of local government finance. If the contractor finds that the land values determined for the qualifying county under section 13.6 of this chapter do not reflect the true tax value of land, the contractor shall determine land values for the qualifying county that reflect the true tax value of land, as determined under the statutes and the rules of the department of local government finance. The land values determined by the contractor shall be used to the same extent as if the land values had been determined under section 13.6 of this chapter. The contractor shall notify the county assessor and the township assessors in the qualifying county of the land values as modified under this subsection. This subsection expires June 30, 2004.

~~(u)~~ **(t)** A contractor acting under a contract under subsection (e) may notify the department of local government finance if:

- (1) the county auditor fails to:
  - (A) certify the bill;
  - (B) publish the claim;
  - (C) submit the claim to the county executive; or
  - (D) issue a warrant or check;

as required in subsection ~~(i)~~ **(h)** at the first opportunity the county auditor is legally permitted to do so;

- (2) the county executive fails to allow the claim as required in subsection ~~(i)~~ **(h)** at the first opportunity the county executive is legally permitted to do so; or

- (3) a person or entity authorized to act on behalf of the county takes or fails to take an action, including failure to request an appropriation, and that action or failure to act delays or halts the process under this section for payment of a bill submitted by a contractor under subsection ~~(i)~~ **(h)**.

This subsection expires June 30, 2004.

~~(v)~~ **(u)** The department of local government finance, upon receiving notice under subsection ~~(u)~~ **(t)** from the contractor, shall:

- (1) verify the accuracy of the contractor's assertion in the notice that:

- (A) a failure occurred as described in subsection ~~(b)(1)~~ **(t)(1)** or ~~(b)(2)~~ **(t)(2)**; or

- (B) a person or entity acted or failed to act as described in subsection ~~(b)(3)~~ **(t)(3)**; and

- (2) provide to the treasurer of state the department of local government finance's approval under subsection ~~(i)(2)(A)~~ **(h)(2)(A)** of the bill with respect to which the contractor gave

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notice under subsection ~~(u)~~ (t).

This subsection expires June 30, 2004.

~~(w)~~ (v) Upon receipt of the approval of the department of local government finance under subsection ~~(v)~~ (u), the treasurer of state shall pay the contractor the amount of the bill approved by the department of local government finance from money in the possession of the state that would otherwise be available for distribution to the qualifying county, including distributions from the property tax replacement fund or distributions of admissions taxes or wagering taxes. This subsection expires June 30, 2004.

~~(x)~~ (w) The treasurer of state shall withhold from the part attributable to the county of the next distribution to the county treasurer under IC 4-33-12-6, IC 4-33-13-5, IC 6-1.1-21-4(b), or another law the amount of any payment made by the treasurer of state to the contractor under subsection ~~(w)~~ (v). Money shall be deducted first from money payable under IC 6-1.1-21.4(b) and then from all other funds payable to the qualifying county. This subsection expires June 30, 2004.

~~(y)~~ (x) Compliance with subsections ~~(u)~~ (t) through ~~(x)~~ (w) shall be treated as compliance with IC 5-11-10. This subsection expires June 30, 2004.

~~(z)~~ (y) IC 5-11-10-1.6(d) applies to the treasurer of state with respect to the payment made in compliance with subsections ~~(u)~~ (t) through ~~(x)~~ (w). This subsection and subsections ~~(u)~~ (t) through ~~(y)~~ (x) shall be interpreted liberally so that the state shall, to the extent legally valid, ensure that the contractual obligations of a county under this section are paid. Nothing in this subsection or subsections ~~(u)~~ (t) through ~~(y)~~ (x) shall be construed to create a debt of the state. This subsection expires June 30, 2004.

SECTION 3. IC 6-1.1-4-33 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 33. (a) This section applies if the department of local government finance entered into a contract under section 32(e) of this chapter before January 1, 2003.**

**(b) Subject to subsections (c), (d), and (e), the department of local government finance may negotiate an addendum to the contract referred to in subsection (a) to require the contractor to:**

**(1) afford to each taxpayer in the county an opportunity to attend an informal hearing to:**

**(A) discuss the specifics of the taxpayer's reassessment;**

**(B) review the taxpayer's property record card;**

**(C) explain to the taxpayer how the reassessment was determined;**



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(D) provide to the taxpayer information about the statutes, rules, and guidelines that govern the determination of the reassessment;

(E) note and consider objections of the taxpayer;

(F) consider all errors alleged by the taxpayer; and

(G) otherwise educate the taxpayer about:

(i) the taxpayer's reassessment; and

(ii) the reassessment process; and

(2) represent the department of local government finance in appeals initiated under section 34 of this chapter.

(c) Except as provided in subsection (d), the informal hearings referred to in subsection (b) must be conducted:

(1) not later than forty-five (45) days after the department of local government finance gives notice under section 32(f) of this chapter to taxpayers of the amount of the reassessment;

(2) at not less than three (3) locations in the county; and

(3) in a manner that will otherwise maximize the opportunity for all taxpayers to attend an informal hearing.

(d) With respect to reassessments against which taxpayer appeals under section 34 of this chapter are pending, the department of local government finance may conduct informal hearings referred to in subsection (b):

(1) on dates later than the dates specified in subsection (c);

(2) at any number of locations; and

(3) in a manner;

determined by the department.

(e) Payment for an addendum to a contract under subsection (a):

(1) is made in the same manner as payment for the contract under section 32(e) of this chapter; and

(2) is not subject to the maximum compensation under section 32(h) of this chapter.

SECTION 4. IC 6-1.1-4-34 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 34. (a) As used in this section, "special master" refers to a person designated by the Indiana board under subsection (e).

(b) The notice of reassessment under section 32(f) of this chapter is subject to appeal by the taxpayer to the Indiana board. The procedures and time limitations that apply to an appeal to the Indiana board of a determination of the department of local government finance do not apply to an appeal under this

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subsection. The Indiana board may establish applicable procedures and time limitations under subsection (l).

(c) In order to appeal under subsection (b), the taxpayer must:

(1) file a petition for review with the appropriate county assessor not later than forty-five (45) days after the notice of the department of local government finance is given to the taxpayer under section 32(f) of this chapter; and

(2) pay a filing fee of ten dollars (\$10).

(d) The Indiana board may develop a form for petitions under subsection (c) that:

(1) outlines:

(A) the appeal process;

(B) the burden of proof; and

(C) evidence necessary to warrant a change to a reassessment; and

(2) describes:

(A) the increase in the property tax replacement credit; and

(B) other changes to the property tax system;

under P.L.192-2002(ss) that reduced the effect of general reassessment on property tax liability.

(e) The Indiana board shall contract with, appoint, or otherwise designate independent, licensed appraisers to serve as special masters to conduct evidentiary hearings and prepare reports required under subsection (g).

(f) Each contract entered into under subsection (e) must specify the appointee's compensation and entitlement to reimbursement for expenses. The compensation and reimbursement for expenses are first paid from filing fees collected under subsection (c)(2). To the extent the filing fees are insufficient for this purpose, the compensation and reimbursement for expenses are paid from the county property reassessment fund. Payments under this subsection from the county property reassessment fund may not exceed five hundred thousand dollars (\$500,000).

(g) With respect to each petition for review filed under subsection (c), the special masters shall:

(1) set a hearing date;

(2) give notice of the hearing at least thirty (30) days before the hearing date, by mail, to:

(A) the taxpayer;

(B) the department of local government finance;

(C) the township assessor; and



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- 1 (D) the county assessor;  
 2 (3) conduct a hearing and hear all evidence submitted under  
 3 this subsection; and  
 4 (4) make evidentiary findings and file a report with the  
 5 Indiana board.  
 6 (h) At the hearing under subsection (g):  
 7 (1) the taxpayer shall present:  
 8 (A) its evidence that the reassessment is incorrect;  
 9 (B) the method by which the taxpayer contends the  
 10 reassessment is correctly determined; and  
 11 (C) comparable sales, appraisals, or other pertinent  
 12 information concerning valuation as required by the  
 13 Indiana board; and  
 14 (2) the department of local government finance shall present  
 15 its evidence that the reassessment is correct.  
 16 (i) The Indiana board may dismiss a petition for review filed  
 17 under subsection (c) if the evidence and other information required  
 18 under subsection (h)(1) is not provided at the hearing under  
 19 subsection (g).  
 20 (j) The township assessor and the county assessor may attend  
 21 and participate in the hearing under subsection (g).  
 22 (k) The Indiana board may:  
 23 (1) consider the report of the special masters under subsection  
 24 (g)(4);  
 25 (2) make a final determination based on the findings of the  
 26 special masters without:  
 27 (A) conducting a hearing; or  
 28 (B) any further proceedings; and  
 29 (3) incorporate the findings of the special masters into the  
 30 board's findings in resolution of the appeal.  
 31 (l) The Indiana board may adopt emergency rules under  
 32 IC 4-22-2-37.1 to:  
 33 (1) establish procedures to expedite:  
 34 (A) the conduct of hearings under subsection (g); and  
 35 (B) the issuance of determinations of appeals under  
 36 subsection (b); and  
 37 (2) establish deadlines:  
 38 (A) for conducting hearings under subsection (g); and  
 39 (B) for issuing determinations of appeals under subsection  
 40 (b).  
 41 (m) A determination by the Indiana board of an appeal under  
 42 subsection (b) is subject to appeal to the tax court under

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1     **IC 6-1.1-15.**  
2         **SECTION 5. An emergency is declared for this act.**

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